

Joachim Betz, *Teepolitik in Sri Lanka*. (Mitteilungen des Instituts für Asienkunde, 167). Hamburg: Institut für Asienkunde, 1987. 113 pages, DM 18,—

Joachim Betz inquires into the tea-policy of Sri Lanka since independence, especially into the economic results of the nationalisation of the tea plantations in 1972 and 1975. His main focus is the question of productivity, profitability and the government's attitude towards the plantation sector and peasant tea-farming.

After an introduction and a short review of the process of nationalisation the author presents his hypothesis in chapter 3: the roots of the crisis of the tea-economy reach back to the pre-nationalisation period; the main reasons for the drop of the Sri Lankan share in worldwide tea-production is the low profitability, caused by heavy taxation, the recent rise of wages and the decline of work-morale, which discouraged investment (pp. 23 f). According to Joachim Betz the Sri Lankan government decided long ago to turn away from the tea-plantation sector and to foster (with the revenue collected from the plantations) rice cultivation, state-owned industries and, more recently, foreign investment on the island (p. 91). However, looking at the cost-benefit, an extension of the tea-industries - as suggested in the Tea Master Plan - would have been more advisable (p. 7). The government's attitude towards small peasant tea-production has been rather *laissez-faire*, in spite of the many advantages of this mode of production.

The two declared aims of nationalisation (creation of job-opportunities and distribution of agricultural land among the small peasants) were not achieved, and the negative trend in the tea-industry continued. A systematic attempt to revitalize the tea-sector was only framed in the 1985-89 programme, but Joachim Betz fears it will require much more resources than would have been necessary if steps had been taken earlier to deal with the problem. In fact, it might be too late for Sri Lanka to regain her previous position in the world tea-market.

This book deals with a major theme in relatively few pages (86 pages of text). Joachim Betz is clear in his argument. There are 21 tables in the appendix, but other tables, for example national tea-production, are included in the text and not easy to locate. There is no bibliography and unfortunately the reader often remains uncertain about the sources of the author's knowledge. There are 171 notes, but in 29 cases 'Interview in Sri Lanka' or 'Interviews in Sri Lanka' is stated. We do not know when or where the author was in Sri Lanka, nor to whom

he talked. It would have increased the value of this book, if there had been some reference to other recent works with similar material (for example: Ron Rote, *A Taste of Bitterness. The political economy of tea plantations in Sri Lanka*, which was published in Heemstede, early 1986). Moreover it would have been helpful if, for extensively studied periods and historical processes, the major works had been mentioned (for example for the historical context: Asoka Bandarage, *Colonialism in Sri Lanka, the political economy of the Kandyan Highlands, 1833-1886*, Berlin; or Dharmapriya Wesumperuma, *Indian Immigrant Plantation Labourers in Sri Lanka*, Kelaniya, Sri Lanka).

The book offers a good number of insights into the economic sphere, but to deal with the Sri Lankan tea policy further research on the non-economic aspects are necessary to round off the picture.

Frank Heidemann

Felix Schmidt, *Der Beitrag des städtischen informellen Sektors zur sozial-ökonomischen Entwicklung Indonesiens. Dargestellt am Beispiel der Stadt Bandung.* (Schriften zu Regional- und Verkehrsproblemen in Industrie- und Entwicklungsländern, Bd. 45). Berlin: Duncker & Humblot, 1988. XIX, 295 pages, DM 68,—

This monograph begins with a comprehensive survey of different concepts of the informal sector found in the literature starting with the ILO study on Kenya which is generally seen as the birth of this concept. This overview shows very clearly that there is still no satisfying definition of the informal sector since relevant characteristics of enterprises differ in a broad continuum and therefore every division into two sectors is arbitrary. Empirical studies on the informal sector usually escape this dilemma by applying a simple quantitative criterion like maximum endowment with capital, sales or the number of employees. Felix Schmidt covers enterprises with up to six employees (including the head of the enterprise) as informal sector units.

To structure the empirical research the author constructs a framework of economic fields relevant to an analysis of the informal sector: government policies, institutional arrangements, interdependences between the informal and formal sector and a list of possible macro- and microeconomic effects of informal sector activities.

He also gives a short overview of the economic situation and the economic